TESTIMONY OF PAUL R. CIANELLI, PRESIDENT & CEO NEW ENGLAND CABLE & TELECOMMUNICATIONS ASSOCIATION INC. March 5, 2009 Before the Energy & Technology Committee

My name is Paul Cianelli. I am the President and CEO of the New England Cable & Telecommunications Association, Inc. (NECTA). NECTA respectfully submits this testimony in <u>opposition</u> to several sections of Raised Bill 6604 with suggestions and support for other sections.

The cable television industry in Connecticut has a good story to tell regarding public, educational and governmental (PEG) access. The industry continues to provide numerous high quality public access channels in all franchise areas. We provide technical and financial support unrivaled by any other state. At least as it applies to cable television companies, there is no demonstrated need for this legislation. I offer the following specific comments on various sections:

Section 1 (Advisory Council Mediation) – Provides that local cable access advisory councils shall mediate customer inquiries or complaints regarding public access television within their service areas. Inquiries or complaints may involve public access service, and funding allocation, access to production studios, quality of programming, availability of town-specific programming and other public access television issues. Local advisory committees are already statutorily empowered to review complaints about community access programming under General Statutes sec. 16-331a. Where complaints are not resolved to the satisfaction of the aggrieved party, the DPUC has a long history of resolving them without the need for a formal, expensive process. The new language essentially sets up the advisory councils as mini-franchising authorities over issues that are far outside of their jurisdiction and expertise. This section would expand the duties of local cable advisory councils beyond their current core duties. We question whether local councils have the expertise, resources, processes or personnel available to undertake this new role. We recommend that the advisory councils gather and review these complaints and then forward them to DPUC for a final determination.

Section 2(b) (Conflict of Interest Policy)- continues existing law by not allowing employees of CATV companies to serve on advisory councils. We do not object to this provision. However, the bill adds subsection (c) that provides that any member of a community antenna television advisory council may be an employee of a community access provider. This section creates an obvious conflict of interest. Advisory councils oversee the employees of access providers, setting wages and employment conditions. If CATV employees are barred from serving on advisory councils, so too must employees of access providers. It is simply inappropriate to allow an employee of a community access provider to serve on a local cable advisory council. As a member of the council, this individual could present a bias against the cable company and encourage unwarranted regulatory proceedings at the DPUC (outlined in sections 1(a) and 1(b). In addition, if the advisory council has a newly expanded role in recommending which entity serves as community

access provider (as described in Section 9 of the proposed bill), than a representative who is an employee of an access provider could potentially exert undue influence or bias into these recommendations. This membership expansion will pose significant opportunities for both perceived and actual conflicts of interest to occur involving individuals who serve in this dual capacity.

Section 4 (Town Specific Funding) – This sections provides that "any community antenna television company or nonprofit organization providing community access operations that supplied original programming from locally run operations and provided funding to town-specific programming shall continue to fund town-specific programming in such proportions to funding for original programming from locally run operations as of January 1, 2008. " Section 4 unfairly and arbitrarily locks in funding levels by CATV companies as of 1/1/08 making it impossible to make funding adjustments if facts and circumstances warrant a reconsideration of the funding levels. In addition this section does not apply to any competitors.

<u>Section 5 (Expand Regulations)</u> - Provides that an advisory council shall review all community access programming of a company or organization within the franchise area if any programming has been the subject of a complaint. Under existing law and practice the advisory council will review programming that is the subject of a complaint.

<u>Section 6 (Funding)</u> – This section makes changes in the existing "public, educational and governmental programming and education technology investment account" (PEGPETIA) statute. Currently fifty per cent of the .5% of gross revenues collected from cable customers shall be available to local community antenna television and video advisory councils; state-wide community antenna television and video advisory councils; PEG programmers and studio operators to subsidize capital and equipment costs related to producing and procuring programming. This section would exclude all but PEG studio operators "whom the Department of Public Utility Control requires to file annual community access provider reports" thus reducing the pool of entities eligible for access to funding and eliminating benefits to those still required to pay into the fund.

Section 7. (Channel Provision) – This section is another example of the unlevel playing field being tilted even further in favor of our competitors. Satellite providers offer no access channels and AT&T offers only one. Nevertheless this section attempts to arbitrarily lock cable companies with traditional franchises or certificates of cable franchise into the same number of channels offered as of January 1, 2008. Passage of this section would create a significant competitive disadvantage to companies that have provided high quality public access for decades.

Section 8 (PEG Transmission) - requires all certificated video providers to provide the same number and quality of access channels. NECTA supports this section. We also append to our testimony the FCC Petition for Declaratory Ruling of the Alliance for Community Media et al. that alleges that AT&T's method of delivering PEG access channels over its U-Verse system is contrary to the Communications Act of 1934 and applicable FCC rules. Comments are due March 9, 2009 and reply comments are due March 24, 2009.

Section 9 (Every 5 year community access petition to DPUC) – In subsection b, we believe the "any interested party" reference should be stricken to avoid creating a highly problematic mechanism that would inappropriately empower a single dissatisfied individual to trigger a costly and time consuming comprehensive regulatory review proceeding. Such a review proceeding will be costly (in time & resources) to the DPUC, OCC, and various video providers and should not be predicated on such a low threshold.

<u>Section 10 (Biennial review)-</u> requires a mandatory performance review by the DPUC every two years to ensure compliance with the terms and conditions of each such certificate. This is a costly unnecessary provision which may have been appropriate in the absence of competition, but has no place in the highly competitive video market that exists in Connecticut.

Section 11 (DPUC PEG reviews) - requires the DPUC to initiate a docket and review PEG access availability in the State and to define what constitutes a "channel" with a report going to the Energy & Technology Committee. It begs the question of whether there is anyone on this committee or in the state who does not know what a "channel" is. Dockets are expensive and all costs associated with them are passed on to subscribers who already pay the highest taxes and access fees of anyone in the six state region.

Section 12 (Transmission equipment) – It is not clear what this provision is aimed at, but it problematic. It could, for example, hold cable operators responsible for repairing and maintaining public access transmission equipment, even though we already provide such funding to community access organizations. To the extent that "transmission equipment" could be read broader than our transmission lines, modulators, cameras, etc; it would mean that we not only provide funding to town-specific programming entities but that we also continue to be responsible for repair, maintenance and upkeep of the equipment that is purchased by these entities.

Conclusion:

Passage of Public Act 07-253 was a seminal time in the history of cable and telecommunications in Connecticut. It was carefully crafted to create a level playing field. While it did not succeed on all accounts, it was better executed than most of the franchise bills passed by other states. Only a year and a half in existence, Public Act 07-253 should be allowed to work and not be amended based on conjecture or concerns that have not yet materialized. Thank you for your time and I will be happy to answer questions.

Respectfully submitted,

Paul R. Cianelli President

Dated: March 5, 2009

A few Examples of Public Access Projects

Cablevision

2007-2008 Awards Program

Area Nine Cable Council and Cablevision of Connecticut Announce the Winners of The Fourth Annual Access Awareness Awards for Students Grades K – 12

The Educational Access Awareness Awards honor original student television productions cablecast during the school year on Cablevision Educational Access Channel 78. Designed to encourage students to develop video production and storytelling skills by creating access television shows relevant to their school and community, the Educational Access Awareness Awards recognize submissions in four separate categories - Public Service Announcement, School/Community Story, News, and Open Entries. This year, over seventy entries were submitted from across Fairfield County. First place Elementary and Middle School projects will be awarded an equipment package for their school. An "Eddy" (Ed Access Trophy) will be presented to individual winners or to the school in the case of a winning class project. A certificate of recognition will be presented to students who participated in First, Second, and Third Place projects.

Neighborhood News:

On Public Access Channel Cable 5 we partner with a trusted and respected radio news reporter Mr. Jeff Ziner to produce a highly watched nightly local news segment called Neighborhood News which airs for approximately 2 hours (6-7 PM & 11-12 PM)—every weeknight. Favorable reviewed in local newspapers. Features hard news and slices of life on the news in our Litchfield area towns that focuses on business, politics, and school successes.



Cablevision's local programming opens a window to important community events and issues. These locally-produced programs and segments connect citizens to relevant events, entertainment, people, and issues, information that may not be available in other media forums.

Check the television listings in your area for information about programming and events on your local programming channel — programming for and about you... your family... your neighbors... your community.

Cablevision local programming. TV that's close to home



Meet the Leaders

An insightful program with area leaders, **Meet the Leaders** explores the people, policies and issues which are responsible for directing the future course of regional communities. Through discussion and query directed by our host / moderator, Meet the Leaders helps our viewers to gain a deeper understanding and a greater awareness of the factors integral to the formation of local decision.



Neighborhood Journal

Provided as an entertainment and information resource, **Neighborhood Journal** features the unique local stories that develop a sense of community within the area. Through field-and studio-based segments, our host introduces the viewer to the places, events, and people who make each of our communities feel like home.



Cablevision Sports

You home court for local High School Sports. **Cablevision Sports** brings you up close and personal to the best High School sporting events throughout the New York Metropolitan area. Sit back and root for your favorite team.

Charter

Our operations:

One important thing to point out is that we provide technical assistance to schools and government access channel operators. We just don't hook them up and forget about them. Charter employees visited Coventry High, Coventry Town Hall, Mansfield Town Hall, Parish Hill High, and Windham High. The Company trained teachers on studio and

playback operations. Wired studio and automated playback systems. Helped selected equipment and found creative ways to work with limited budgets.

Charter's coverage of on location community events is a unique way of providing public access. Many access providers only work in the studio. Charter brings the studio to community events of general interest and cablecast them on the channel. No advertising, underwriting, or selling of DVDs. This also provides access producers with valuable training that they can take into their own independent public access productions.

In 2008 in review

Last year we covered 22 community events.
Charter has 16 regular studio users.
24 people use the edit suites regularly.
50 people used our portable field equipment.
25 people received training enabling them to make their own access show.
A total of 522 programs were produced at our facility.
On the air 66-hours with community access programming.

Comcast:

Colchester Using Public Access to Spotlight Services

Ryan Blessing, Norwich Bulletin (Norwich, CT)

Colchester, Conn. - Cameras will roll in Colchester this week and next as part of a campaign to make residents aware of town services through five public access cable programs.

The town will produce the half-hour programs, which will air on Comcast channel 14, a public access channel.

Their production is part of a free service offered by Comcast. The shows will cover 15 town departments and their services.

"This is one part of our efforts to reach out to our community, to provide information about what services are provided and how town staff works to benefit all residents," First Selectman Linda Hodge said.

The program doesn't have a title or a host yet. Hodge said the town hopes to get a well-known town business owner to host the programs.

Parks and Recreation Director Jason Cohen was trained last year to use the camera equipment and he will design the "look" of the show.

"It's very similar to what we did last summer when we brought cameras to our summer day camps," Cohen said. "We also have some volunteers who will be lending their expertise."

The shows will be edited at the Comcast facility in Norwich.

Cohen said they'll shoot the introduction scenes around town this week and focus on content the next week.

Colchester has put up displays in town buildings, information on its Web site and presentations to community groups in order to keep residents informed.

Resident Fred Brown said he thinks it's a terrific idea.

"We'll be able to showcase our town to people who might be interested in moving here," he said. "And there are a lot of town services people who live here don't even know about."

Middle schoolers write, produce own TV show

Tuesday, February 3, 2009 10:22 PM EST

Special to the Press

MIDDLETOWN - A new variety show has come to the public access station at Comcast featuring performances, writing, and original comedy sketches by nine middle-school children ages 11 to 13.

The new show, "The David Leonard Show," will air every Monday at 4 p.m. through February and perhaps longer.

Originally conceived by brothers Daniel and William Hawkins, and overseen by their father Marc Italia, the boys invited friends from Durham, Chester and Middletown to come on board.

Soon the seven - Martin and Patrick Daniels, Tristan Donaldson, Thomas Hadley, Daniel and William Hawkins, Alice Selipanov and Matt Terrell - began kicking around skit ideas while they took tutorials in how to run the Comcast public access studio equipment.

The ensemble began meeting regularly to work out new material and to start to define what their show would be about. They chose to name it "The David Leonard Show," which at once acknowledges their tongue-in-cheek approach as well as establishing the fact that there is a real equality among performers with no one person leading the way.

Under the helpful tutelage of Comcast's Access Coordinator Michelle Kobbe with help from parent Italia, the young group learned to run the camera, cut from shot to shot, use basic editing tools and control sound.

It took up to six months for the kids to complete the first, 30-minute show.

The ensemble drew inspiration from a variety of sources and even paid an enthusiastic homage to established skits they all really liked - like the YouTube phenom, "Where in the Hell is Matt?" which depicts a man dancing with passersby literally around the globe.

The David Leonard group featured Matt Terrell in the dancing role, and the show checked out a camera and began to film around popular Middletown sites and landmarks.

Other skits include "Daniel Hawkins, Problem Thinker."

"I believe this is something dad found online," says Daniel Hawkins. "We're basing it on the line that instead of social drinking, we do social thinking. It's pretty funny."

"The News with Petey and Fredo," says Daniel, "is one of the skits I wrote. It's about newscasters who keep straying off the topics, as well as making commentary about the people in the news they are reading."

"It's one of the best skits I've written," adds Daniel, who isn't acting in it because, he says, "I don't like to be in the skits I write."

Another skit in this episode features the writing of Tristan Donaldson in "Death Plays a Game" and features Tristan, Alice and Tom.

The skit revolves around two people playing the grim reaper for their own souls. "The games of choice are Go Fish and Monopoly, and Dungeons and Dragons. Unfortunately, Death is a spoilsport," adds Daniel.

Other skits include Thomas Hadley's "When Three Kids From Brooklyn Meet," which features Thomas and others, and the Patrick Daniels is featured in "Enron" and Martin Daniels explains basketball to someone who doesn't understand sports.

One of the funnier skits is Math Boot Camp," adds Daniel. Written by William Hawkins, "the skit features a mock commercial for a military-type boot camp for mathematicians" and features the entire ensemble.

The current episode will run for the next several Mondays and a new episode is due to air in late February.

Be a producer

Comcast's Middletown Community Access Television (Channel 15) at 19 Tuttle Place is hosting a series of television-production workshops free of charge for local residents interested in creating their own local shows and covering the communities of Cromwell, East Hampton, Middlefield, Middletown and Portland on television.

Participation is open to any resident or nonprofit organization. The free workshops will provide instruction to residents of Cromwell, East Hampton, Middlefield, Middletown and Portland on how to direct and operate cameras, host their own television shows, and cover local events and public meetings. At the completion, participants will be certified to produce their own programs.

Area teens to showcase talent

Thursday, December 20, 2007 3:00 AM EST

By CRISTINA D. JOHNSON

KILLINGWORTH - Ten local teenagers will be showcasing their musical talents in the hopes of gaining the votes of local viewers Friday during the 19th annual Haddam-Killingworth High School telethon. The show is to be aired on Comcast cable Channel 18 from 8 a.m. to noon.

After approximately 50 auditions from teens ranging in age from 13 to 19, 10 students of local schools from Haddam to Middletown were chosen by a panel of three judges to perform live Friday morning in the hopes of raising money to support the HKHS telethon.

The program, named "Shoreline Idol," will include performances by students from the area and will air live Friday and then be re-broadcast every day through Jan. 2.

Chuck Lewis, head of the HKHS Applied Arts Department and video communication teacher, is helping the students put together the program. For weeks, the students have worked on video clips, sound bites, lighting and other aspects of the production in preparation for the show.

"Hundreds of hours go into the preparation of it," he said. "They work really hard."

The telethon has raised money for local organizations like the Tommy Fund in New Haven as well as local chapters of such organizations as the Muscular Dystrophy Association and Habitat for Humanity.

This year, the telethon will support two scholarship funds. One of the scholarships is in honor of an HKHS drama teacher - Terri Lusis - who passed away in February.

The scholarship is intended to help graduating students who are interested in furthering their drama education attend college.

The other scholarship, known as the Lantieri Scholarship, is in honor of a soldier recently killed in Iraq whose hometown was Killingworth.

The 25-year-old graduated from HKHS in 2000 and was active in athletics in the school. The scholarship is intended to aid in the college education of any senior who is a "prominent member of the community" and exhibits exemplary service and character in the classroom and playing field.

Cox

We offer three separate access channels in Meriden and Manchester (channels 14, 15 and 16). In Enfield we have two channels (15 & 16). We have town specific channels for Educational and/or Government Access in Meriden, Cheshire, Southington, Manchester, Glastonbury, South Windsor, Newington, Rocky Hill, Wethersfield, Granby and Enfield. We provide technical support to 30 different signals that are carried on those channels.